Syrian Arab Republic

Central Bank of Syria (CBS)

Syria Financial Sector Modernization Project - SFSMP
(P517399)

Stakeholder Engagement Plan (SEP)

June 24, 2026

1. Introduction/Project Description

This Stakeholder Engagement Plan (SEP) sets out the approach for identifying, engaging, informing, and receiving feedback from stakeholders during preparation and implementation of the Syria Financial Sector Modernization Project (SFSMP). The SEP is proportionate to the Project's institutional and systems-based nature, which focuses on financial sector infrastructure, institutional strengthening, and technical assistance, and does not involve land acquisition, resettlement, or direct community-level investments.

In line with the Project's Fragility, Conflict, and Violence (FCV) context, stakeholder engagement will play a critical role in supporting coordination across institutions, managing expectations, and strengthening trust in new financial sector systems. While the Project does not directly target households, the modernization of payment systems and financial infrastructure may create indirect risks related to access, inclusion, service continuity, and perceptions of fairness during phased rollout.

The SEP is designed to support effective project implementation through structured engagement with key institutional stakeholders, complemented by proportionate communication and feedback mechanisms for indirectly affected users. It also contributes to addressing social risks identified in the ESRS, including stakeholder trust, data protection and confidentiality, cybersecurity risks, service-transition disruptions, and potential uneven access to financial services, by ensuring timely information disclosure, inclusive engagement approaches, and accessible grievance and feedback channels.

Project Description:

The Project Development Objective is to strengthen foundational systems and institutional capacity for financial sector modernization in Syria. The Project focuses on the first-time establishment and modernization of core financial sector systems, including payment infrastructure, supervisory and financial stability systems, and institutional operational capacity at the Central Bank of Syria (CBS), which will serve as the project implementing entity.

Component	Summary of activities
Component 1: Modernized Payments, Financial Infrastructure, and CBS Operational Enablers	Finances core banking system modernization, Automated Transfer System, Central Securities Depository, Fast Payments System, domestic retail payments switch, bill payments hub, interoperability interfaces, secure communications, cybersecurity and cyber-resilience, foundational credit infrastructure, and related legal/regulatory and institutional strengthening.
Component 2: Supervisory, Integrity, and Financial Stability Systems	Supports system-wide bank Asset Quality Reviews, SupTech/data/reporting platforms, AML/CFT tools, financial stability and banking rehabilitation frameworks, and targeted legal/regulatory and institutional technical assistance.

Component 3: Project Implementation Support	Finances the PIU, fiduciary, environmental and social, monitoring, technical coordination, change management, training, and implementation support required to deliver the Project in a high-risk and capacity-constrained environment.
Component 4: Contingent Emergency Response Component	A zero-cost component to allow rapid reallocation of uncommitted funds in the event of an eligible crisis or emergency.

Component 1: Modernized Payments, Financial Infrastructure, and CBS Operational Enablers. Supports the establishment and modernization of Syria's foundational financial infrastructure and CBS operational backbone. It includes deployment of a modern core banking system, along with secure network upgrades, cybersecurity, business continuity, and disaster recovery arrangements. The component will also establish an Automated Transfer System (ATS) integrating RTGS and ACH functionalities for efficient interbank payments. In addition, the component will finance key financial market infrastructure, including initial modules of Central Securities Depository (CSD), a Fast Payments System for instant retail transactions, and a national card switch to enable interoperability and expand digital payments acceptance. Complementary investments will strengthen interoperability frameworks, data architecture, and credit infrastructure foundations, alongside technical assistance and regulatory support needed to operationalize these systems and ensure their uptake and sustainable functioning.

Component 2: Supervisory, Integrity, and Financial Stability Systems. This Component supports the establishment and strengthening of core supervisory, financial integrity, and financial stability systems needed to assess the banking sector, guide rehabilitation, and restore confidence. It adopts a phased approach, combining early deployment of essential tools with parallel capacity building, legal and regulatory strengthening, and targeted technical assistance. A central element is system-wide bank-by-bank Asset Quality Reviews (AQRs) to provide the evidence base for bank restructuring, resolution options, and related institutional strengthening. The component will also finance phased deployment of supervisory technology (SupTech), starting with a modern reporting platform and evolving – based on a strategic SupTech roadmap to be developed under the project – toward more advanced tools for risk-based supervision, data analytics, and financial stability monitoring. In parallel, it will strengthen AML/CFT systems through targeted tools for reporting, analysis, and inter-agency coordination, supported by regulatory reforms. These investments will be complemented by institutional arrangements, procedures, and capacity building to ensure effective implementation and long-term sustainability of supervisory, integrity, and financial stability functions.

Component 3: Project Implementation Support. It will finance project management, fiduciary, environmental and social, monitoring, and overall implementation support necessary to deliver Components 1 and 2 in a high-risk, capacity-constrained environment. The component will support hands-on implementation, including procurement, contract management, system integration, testing, and rollout coordination. It will also finance a dedicated PIU within CBS, covering staffing, operational costs, and cross-cutting fiduciary and E&S functions. The PIU will play a central coordination role across CBS departments, external partners, and vendors, ensuring compliance, reporting, and efficient project delivery.

2. Objective/Description of SEP

The overall objective of this SEP is to define a program for stakeholder engagement, including public information disclosure and consultation throughout the entire project cycle. The SEP outlines the ways in which the project team will communicate with stakeholders and includes a mechanism by which people can raise concerns, provide feedback, or make complaints about project activities or any activities related to the project.

Summary of Key Stakeholder Engagement Issues under the project:

The Project is not expected to generate significant direct adverse impacts on communities. However, meaningful engagement is important because the Project will support systems that affect the functioning, reliability, transparency, and security of financial services over time. The main stakeholder engagement issues are summarized below.

Issue	Relevance for stakeholder engagement
System design and adoption	Banks, PSPs, microfinance banks, government entities, and relevant CBS departments will need to understand system requirements, operating rules, migration plans, interoperability, and responsibilities.
Data protection and confidentiality	Payment systems, SupTech platforms, AML/CFT tools, and AQR-related activities may involve sensitive institutional, commercial, and personal information.
Service continuity during rollout	Migration to new systems may involve transition risks, temporary disruptions, transaction errors, or changes in operating procedures.
Trust and perceptions of fairness	Clear communication is needed to manage expectations and avoid perceptions of unequal access to new systems or services.
Potential uneven access	Early benefits may be uneven for groups facing documentation constraints, limited digital access, low financial/digital literacy, mobility constraints, or connectivity limitations.
Labor and workplace issues	PIU staff, consultants, vendors, and contractors will require clear worker grievance arrangements, Codes of Conduct, and OHS measures for minor installation activities.

Given the Project's systems-based and institutional nature, its benefits will be indirect but economy-wide, improving the reliability, transparency, and efficiency of financial flows for households, businesses, government entities, and humanitarian actors. Delivery of these systems requires close coordination among CBS departments, financial institutions, payment service providers, and other relevant stakeholders, particularly during system design, integration, testing, and phased rollout. This underlines the importance of structured stakeholder engagement arrangements as outlined in this SEP.

3. Stakeholder identification and analysis

3.1 Methodology

In order to meet best practice approaches, the project will apply the following principles for stakeholder engagement:

- *Openness and life-cycle approach:* Public consultations for the project will be arranged during the whole life cycle, carried out in an open manner, free of external manipulation, interference, coercion, or intimidation.

- *Informed participation and feedback:* Information will be provided to and widely distributed among all stakeholders in an appropriate format; opportunities are provided for communicating stakeholder feedback, and for analyzing and addressing comments and concerns.
- *Inclusiveness and sensitivity:* Stakeholder identification is undertaken to support better communications and build effective relationships. The participation process for the projects is inclusive. All stakeholders at all times are encouraged to be involved in the consultation process. Equal access to information is provided to all stakeholders. Sensitivity to stakeholders' needs is the key principle underlying the selection of engagement methods. Special attention is given to vulnerable groups that may be at risk of being left out of project benefits, particularly women, the elderly, persons with disabilities, displaced persons, and migrant workers and communities, and the cultural sensitivities of diverse ethnic groups.
- *Flexibility:* If social distancing, cultural context (for example, particular gender dynamics), or governance factors (for example, high risk of retaliation) inhibits traditional forms of face-to-face engagement, the methodology should adapt to other forms of engagement, including various forms of internet- or phone-based communication.

3.2. Affected parties and other interested parties [1]

Project-affected parties for this Project primarily comprise institutions that are directly involved in, or impacted by, the design, implementation, and operation of financial sector systems supported under the Project. Given the Project's institutional and systems-based nature, these stakeholders include the Central Bank of Syria, participating financial institutions, and relevant public entities that will use, operate, or interface with the systems being established.

In addition, certain population groups and users of financial services may be indirectly affected by the Project through changes in access, service delivery, and reliability of financial transactions, particularly during system rollout and transition phases. Engagement with these groups will be primarily indirect and facilitated through participating institutions and communication channels, in line with the Project's proportional approach under ESS10.

The following table provides the list of project affected parties:

Stakeholder Group	Role	Interest in the project	Internal/External	Engagement Priority
CBS senior management / High-level Advisory Committee	Strategic advice and coordination	Provide strategic direction, ensure institutional ownership, support inter-agency coordination	Internal	High
CBS departments and staff	Implementing agency	IT, payment systems, supervision, financial stability, AML/CFT, procurement, FM, E&S, and M&E functions responsible for system design and implementation; participate in technical working groups	Internal	High

Banks (state-owned, private, Islamic, and microfinance banks)	Participating institutions involved in system implementation, testing, and rollout	System users, data providers, and implementation counterparts during testing, migration, and rollout; participants in payment systems, supervisory reporting, and AQRs; engaged through technical modalities/working groups where feasible	External	High
Payment service providers (PSPs) and regulated financial service providers	Participating institutions	Users and operators of payment and interoperability systems; contribute to system integration, rollout, and user access; participate in coordination mechanisms	External	High
Ministry of Finance and public payment entities	Key government counterpart	Coordination on government payments, treasury interfaces, securities settlement, and public financial flows; engagement in inter-agency coordination mechanisms	External	High
FIU, AML/CFT authorities	Key institutional counterpart	Among key project beneficiaries, users of AML/CFT systems and tools, contributing to enhanced financial integrity	External	High
Deposit Insurance Authority (DIA), and supervisory bodies	Institutional counterparts	Users and contributors to financial stability, supervisory, resolution, involved in diagnostics and policy coordination	External	High
Project workers and contracted workers	Workforce	PIU staff, CBS staff, consultants, IT vendors, and contractors involved in system delivery and implementation support	Internal / External	Medium
Households, public servants, pensioners, remittance recipients, social transfer beneficiaries, merchants, SMEs, and other users	Engagement primarily indirect through financial institutions	Future users of improved financial services; may be affected by rollout, access conditions, and service continuity; engagement primarily indirect via financial institutions	External	Medium

Other Interested Parties:

Other interested parties include stakeholders that are not directly affected by Project activities or impacts but may have an interest in, influence over, or role in supporting Project implementation. These stakeholders are particularly relevant for coordination, technical support, regulatory alignment, and information sharing, given the institutional and system-wide nature of the Project. Engagement with these parties will focus on consultation, coordination, and exchange of information, rather than impact mitigation.

Stakeholder Group	Role	Interest in the project	Internal/External	Engagement Priority
Development partners and humanitarian actors (IMF, EU, AMF, UN agencies, bilateral donors)	Coordination partners	Provide technical assistance and policy dialogue; support alignment of financial sector reforms and coordination of interventions	External	Medium
Vendors, professional associations, and technical service providers	Implementation partners	System suppliers and advisory firms (IT systems, cybersecurity, AQR, SupTech, AML/CFT); responsible for system delivery and integration in coordination with CBS	External	Medium
Civil society, consumer/user representatives, and media (as relevant)	Observers / advocacy stakeholders	Interest in transparency, financial inclusion, consumer protection, data protection, and access to services; engagement expected to be targeted and limited	External	Medium

3.3. Disadvantaged/vulnerable individuals or groups[2]

Consistent with the institutional and systems-based nature of the Project, vulnerable groups are not directly targeted. However, as financial sector systems are modernized, certain population groups may face barriers in accessing or benefiting from improved financial services. These barriers may relate to documentation, digital access, financial literacy, mobility constraints, or connectivity limitations.

The Project will address these risks through proportionate measures, including engagement through participating institutions, consideration of inclusive access during system design and rollout, clear and accessible communication, and grievance and feedback mechanisms to capture and address concerns related to exclusion, service disruptions, or access barriers.

Vulnerable/ Disadvantaged Group	Key Barriers	Relevance to the Project	Proportionate Engagement Approach

Individuals with limited access to formal financial services (including low-income households and micro/informal businesses)	Limited access to formal accounts, affordability constraints, reliance on cash/informal systems	May face barriers in accessing or using modernized financial infrastructure and services	Addressed through engagement with participating institutions, inclusive system design considerations, and clear communication on access requirements and available channels
Individuals with documentation constraints (including IDPs, returnees, and persons without valid identification)	Lack of required documentation to access accounts and services	Risk of exclusion from financial systems and reduced ability to participate in formal transactions	Addressed through institutional coordination, inclusive rollout planning, and communication through financial institutions on access pathways and requirements
Individuals with limited digital access or connectivity (including people in underserved or remote areas)	Limited internet/mobile access, infrastructure constraints	Uneven ability to access digital financial services and payment platforms	Addressed through system rollout planning, offline/alternative access considerations (as relevant), and indirect engagement through participating institutions
Individuals with limited financial or digital literacy (including older persons)	Limited familiarity with digital systems and financial products	Potential difficulties in adopting or safely using new financial systems	Addressed through institutional engagement, user-focused communication materials, and support provided through financial institutions during rollout

4. Stakeholder Engagement Program

4.1. Summary of stakeholder engagement done during project preparation

Due to the institutional nature of the Project and FCV-related constraints, stakeholder engagement during preparation was primarily limited to key institutional stakeholders directly involved in financial sector operations. Nevertheless, the World Bank team conducted targeted consultations with CBS departments, selected government entities, financial institutions (private and state-owned), and development partners through in-person and virtual meetings. Moreover, CBS has been raising awareness about the Project during broader sessions with different groups of financial sector participants. Key environmental and social considerations—including stakeholder engagement, communication, grievance mechanisms, and potential access issues—were discussed, and feedback has been reflected in project design and E&S instruments. This SEP builds on these initial consultations and outlines ongoing engagement throughout implementation.

Stakeholder engagement under the Project will be closely aligned with the phased design and implementation of financial sector systems, with a strong emphasis on structured coordination among institutional stakeholders. Given the technical and interdependent nature of project components, engagement will focus on supporting system design, interoperability, procurement, testing, and phased rollout, while ensuring timely communication, feedback, and issue resolution. Engagement activities will also support mitigation of key social risks identified in the Project, including stakeholder trust, service-transition risks, and potential barriers to access during rollout.

Engagement with key stakeholders—particularly CBS departments, banks, payment service providers, and relevant public entities—will be carried out through structured mechanisms such as technical working groups, coordination meetings, and targeted consultations to support system integration and operational readiness. Engagement with indirectly affected users will be more limited and will take place primarily through participating institutions, complemented by public communication and grievance and feedback channels as systems move toward rollout. In addition, the Project's results framework includes Annual stakeholder feedback surveys used to inform project implementation.

4.2. Summary of project stakeholder needs and methods, tools, and techniques for stakeholder engagement

As stated in the table below, different engagement methods are proposed to cover stakeholder needs. Engagement methods include face-to-face and virtual meetings, technical meetings, workshops, coordination discussions, formal meetings, annual surveys, online Feedback with comments, etc.

4.3. Stakeholder engagement plan

Stakeholder engagement will be phased and tailored to the technical and institutional nature of the Project, with emphasis on coordination, system integration, phased rollout, usage uptake, while ensuring proportionate communication and feedback mechanisms for indirectly affected users.

Project Stage	Estimated Date/Time Period	Topic of Consultation/ Message	Method Used	Target Stakeholders	Responsibilities
Operation Initiation	Preparation phase	- Project objectives, design, and sequencing - Environmental and social risks and mitigation measures - SEP and ESCP disclosure - Grievance mechanism overview	- Targeted in-person and virtual meetings - Technical discussions and bilateral consultations - Email exchanges and written feedback - Disclosure of E&S documents through CBS/WB channels, as appropriate	CBS departments, Ministry of Finance, selected government entities, participating financial institutions, development partners	CBS, World Bank
Technical Design and Procurement Preparation	Early implementation phase	- System design and specifications - Interoperability, data-sharing, and cybersecurity considerations - Procurement approaches and sequencing - Roles and responsibilities of participating institutions	- Workshops, technical sessions, and structured consultations - Market sounding and engagement with vendors - Written feedback mechanisms	CBS technical units, banks, PSPs, Ministry of Finance, relevant supervisory entities, vendors	CBS / PIU with technical advisors

Implementation Readiness (IR) Review Preparation	Preparation prior to IR Review	- Implementation sequencing and operational readiness - Training approach and institutional readiness - Confirmation/ update of communication and grievance arrangements	- Coordination meetings and readiness workshops - Written feedback and validation with key institutions - Targeted meetings to confirm rollout readiness and risk mitigation measures	CBS, participating financial institutions, PSPs, public payment entities (and selected indirect user considerations via institutions)	CBS / PIU and participating institutions
Implementation (including testing and rollout)	Implementation period	- Firm-up of technical specifications - Testing and migration planning - System integration, testing, and migration plans - Participation requirements and onboarding processes - Operational procedures and training	- Regular coordination meetings and technical working groups where feasible - Training sessions and workshops - Institutional communication through participating institutions - FAQs, circulars, and helpdesk/feedback channels	CBS, participating financial institutions, PSPs, public payment entities, selected indirect user groups via institutions	CBS / PIU and participating institutions

		- Complementary regulatory measures - Communication on rollout, service changes, and grievance channels			
Implementation Monitoring	Throughout implementation	- Project progress and implementation updates - Stakeholder feedback (incl. through annual surveys) and system performance - Service-transition issues and access barriers - Grievance trends and corrective actions	- Periodic stakeholder meetings - Semiannual reporting - Annual surveys - GRM and feedback mechanisms - Stakeholder feedback summaries	All key institutional stakeholders; indirect users through participating institutions	CBS / PIU
Project Closure	End of Project	- Project results and key achievements - Lessons learned - Feedback on stakeholder	- Final reports and summaries - Stakeholder consultations and wrap-up meetings - Feedback channels (email/GRM)	CBS, participating institutions, development partners, selected stakeholders	CBS / PIU, World Bank

		engagement and grievance handling			

Information will be disclosed as follows: relevant E&S documents; Grievance Mechanism (GM) procedures; project orientation; regular updates on project developments; etc. via social media platforms, project website (if applicable), information leaflets and brochures, etc. The information will be disclosed in both the Arabic and English languages.

As the project involves the use of digital platforms and biometric registration systems, all stakeholder engagement activities will be conducted in accordance with data protection principles. Personal data collected during consultations or through digital systems will be securely stored, used only for project purposes, and protected from unauthorized access. The project will ensure consistency with applicable standards and good practice regarding data privacy and cybersecurity.

Information Disclosure Plan:

Stage	Information to be disclosed	Stakeholder group	Methods
Preparation / Technical Readiness (before approval)	- Stakeholder Engagement Plan (SEP) - Environmental and Social Commitment Plan (ESCP) - Project overview and objectives - Grievance Mechanism (GM) overview	CBS, Ministry of Finance, relevant government entities, participating financial institutions, development partners	- Disclosure through CBS and World Bank channels, as appropriate - Email circulation to key institutional stakeholders - Targeted consultations and meetings
Early Implementation (design and procurement)	- System design and implementation approaches	CBS, banks, PSPs, Ministry of Finance, supervisory entities, vendors, development partners	- Technical working groups - Workshops and structured consultations

	- Procurement updates (as appropriate) - Institutional roles and coordination arrangements - Updated grievance procedures (if relevant)		- Written communications and coordination meetings
Implementation (including testing and rollout)	- System rollout information (testing, migration, onboarding) - Operational procedures and participation requirements - Grievance mechanisms and feedback channels - Non-confidential E&S performance summaries	CBS, participating financial institutions, PSPs, public entities; indirect users through institutions	- Institutional communication (circulars, notices) - Training sessions and workshops - FAQs and user guidance via institutions - Helpdesk / GRM
Monitoring and Reporting	- Implementation progress (non-confidential) - Stakeholder	Key institutional stakeholders; indirect users via institutions	- Semiannual reports - Stakeholder briefings - GRM and feedback mechanisms

	engagement summaries (incl. annual surveys) - Grievance statistics and trends - Access and service-related issues		
Project Closure	- Project results and achievements - Summary of stakeholder engagement and grievance handling - Lessons learned	CBS, participating institutions, development partners, selected stakeholders	- Final reports and dissemination - Stakeholder meetings - Disclosure through CBS / WB channels

4.4. Reporting back to stakeholders

Stakeholders will be kept informed as the project develops, including reporting on project environmental and social performance and implementation of the stakeholder engagement plan and Grievance Mechanism, and on the project's overall implementation progress.

5. Resources and Responsibilities for implementing stakeholder engagement activities

5.1. Resources

The Central Bank of Syria (CBS), through the Project Implementation Unit (PIU), will be responsible for implementing stakeholder engagement activities under the Project. Stakeholder engagement will be integrated into overall project implementation arrangements and supported through Project Implementation Support (Component 3).

The SEP will be implemented using proportionate resources, reflecting the Project's institutional and systems-based nature. These resources will primarily support:

- Coordination meetings and technical consultations with key institutional stakeholders;
- Workshops and training sessions for participating institutions, as needed;
- Preparation and dissemination of communication materials;
- Operation and maintenance of grievance and feedback mechanisms.

Stakeholder engagement activities will be financed under the Project's overall implementation support budget and managed by the PIU in coordination with relevant CBS departments.

Detailed budget breakdown is provided below.

Budget Category	Quantity	Unit Costs	Times/Years	Total Costs	Remarks
1. Coordination meetings and technical consultations	Lumpsum	1,000	Annually (4)	4,000	Includes stakeholder coordination meetings, technical working groups, and documentation
2. Communication campaigns					
2a. Preparation of communication materials (briefs, FAQs, guidance notes)	Lumpsum	500	Annually (4)	2,000	Materials prepared in Arabic and English, disseminated through institutional channels

2b. Institutional communication and information dissemination	Lumpsum	500	Annually (4)	2,000	Includes website updates, circulars, and communication through participating institutions
3. Trainings					
Targeted training for CBS/PIU staff and participating institutions on stakeholder engagement, GM, OHS, and ESF requirements	10 days	1,000	Years 1–2	10,000	Focused on institutional capacity (GM, communication, ESF awareness, and stakeholder engagement)
TOTAL STAKEHOLDER ENGAGEMENT BUDGET:				$18,000	Included under Component 3 (Project Implementation Support)

5.2. Management functions and responsibilities

The entity responsible for carrying out stakeholder engagement activities is CBS. The stakeholder engagement activities will be documented through annual reports on the SEP implementation progress.

6. Grievance Mechanism

The main objective of a GM is to assist to resolve complaints and grievances in a timely, effective, and efficient manner that satisfies all parties involved. The CBS has also developed several uptake channels as described below. It will also develop clear GM Procedures under the project which will also cover Sexual Exploitation and Abuse/Harassment (SEA/SH).

6.1. Description of GM

Step	Description of Process	Time Frame	Responsibility
GM implementation structure	1. The Project will rely on the existing Grievance Mechanism (GM) within CBS to address project-related grievances. 2. Assess the CBS GM and suggest required further enhancements. The enhanced GM will be managed and coordinated by the CBS through the PIU. 3. Establish a dedicated Labor Grievance Mechanism (LGM) for all categories of project workers will and incorporate it into the Project GM.	1. CBS GM is already in place but may require further enhancements. 2. GM to be fully enhanced, operationalized, and publicized within years (1) and (2) after Effective Date. Thereafter it will be maintained throughout Project implementation. 3. LGM to be established prior to engaging Project workers	CBS / PIU (E&S Focal Point)

Step	Description of Process	Time Frame	Responsibility
	An E&S Focal Point within the PIU will oversee GM implementation, with support from relevant CBS departments (e.g., banking supervision, payments systems, IT, legal), as needed. The GM will be designed to reflect the institutional and systems-based nature of the Project and will build, where feasible, on existing CBS communication and complaints-handling channels. The GM will be accessible to all relevant stakeholders, including participating financial institutions, payment service providers (PSPs), government entities, vendors, and other interested parties. Indirect users (e.g., individuals and firms accessing financial services) will be able to channel feedback through participating institutions. Information about the GM, including available channels and procedures, will be disclosed through appropriate institutional channels, ensuring clarity while respecting financial sector confidentiality requirements.		
Grievance uptake	Grievances may be submitted through CBS and project-level channels, which may include: • Official CBS communication channels (as applicable) • Dedicated project email address • Project/CBS webpage with online submission form (if feasible)	Continuous	CBS / PIU, with participating institutions

Step	Description of Process	Time Frame	Responsibility
	• Phone or hotline (if established) • Written submissions through participating institutions, as relevant Participating financial institutions and PSPs will be encouraged to establish or utilize their own customer-facing grievance channels for retail-level complaints and escalate project-related issues to the CBS GM, as needed.		
Sorting and processing	Project-related grievances will be recorded in a secure GM registry and assigned a unique tracking number. Complaints will be screened and categorized (e.g., system access, institutional coordination, procurement, labor, SEA/SH, data/privacy concerns) and routed to the appropriate CBS unit or project focal point for handling.	Upon receipt	E&S Focal Point (PIU)
Acknowledgment and follow-up	Receipt of the grievance will be acknowledged through the channel used by the complainant, where contact details are available.	Within 3 working days	E&S Focal Point / assigned focal point

Step	Description of Process	Time Frame	Responsibility
Verification, investigation, and action	The E&S Focal Point will coordinate review of grievances in consultation with relevant CBS departments and, where applicable, participating institutions or contractors. Corrective actions will be identified and implemented as appropriate. Sensitive grievances, including those related to SEA/SH or data confidentiality, will be handled in a confidential manner and referred to designated personnel, in line with applicable protocols and good practice.	Within 15 working days (indicative, depending on complexity)	CBS / PIU (E&S Focal Point), relevant CBS units, participating institutions (as applicable)
Provision of feedback	The complainant will be informed of the outcome of the grievance review and any proposed resolution, subject to confidentiality considerations.	Within 5 working days after resolution	E&S Focal Point / assigned focal point
Monitoring and evaluation	The PIU will maintain records of grievances and periodically analyse trends to identify systemic issues (e.g., access barriers, coordination gaps, system performance issues). Summary information on GM performance will be included in project reporting, ensuring that no confidential or personal data is disclosed.	Periodically (e.g. semi-annually)	CBS / PIU

Step	Description of Process	Time Frame	Responsibility
Training and awareness	Awareness-raising and orientation on the GM will be provided to relevant stakeholders, including: • CBS and PIU staff • Participating financial institutions and PSPs • Contractors and vendors, as applicable Training will include procedures for grievance handling, confidentiality, and escalation pathways.	As needed during implementation	CBS / PIU, with World Bank support (as applicable)

Escalation:

The GM will provide an appeal process if the complainant is not satisfied with the proposed resolution of the complaint. Once all possible means to resolve the complaint have been proposed and if the complainant is still unsatisfied, they should be advised of their right to legal recourse.

SEA/SH Complaints:

The GM will include confidential and survivor-centered procedures for handling complaints related to Sexual Exploitation, Abuse, and Harassment (SEA/SH). These procedures will ensure that survivors can report incidents safely and anonymously, and that referrals to appropriate support services are made promptly. SEA/SH-related grievances will be handled by trained focal points and will not require the survivor to provide evidence or face retaliation.

Labor Grievance Mechanism (LGM):

In addition to the general project-level grievance mechanism (GM), a dedicated Labor Grievance Mechanism (LGM) will be established for all project workers, including consultants and contractors. The LGM will be accessible, confidential, and responsive to labor-related concerns, including issues related to working conditions, wages, and occupational health and safety. Workers will be informed of the LGM during onboarding and during implementation. The LGM will operate independently of the general GM and will ensure non-retaliation and timely resolution of complaints in line with ESS2.

7. Monitoring and Reporting

7.1. Summary of how SEP implementation will be monitored and reported

The Stakeholder Engagement Plan (SEP) will be a living document and will be reviewed and updated periodically throughout the Project lifecycle to reflect evolving stakeholder needs, institutional developments, and implementation experience. Updates will ensure that engagement approaches remain proportionate to the Project's systems-based nature, inclusive, and aligned with the World Bank Environmental and Social Framework (ESF).

The Central Bank of Syria (CBS), through the Project Implementation Unit (PIU) or designated coordination function, will be responsible for overseeing SEP implementation. The Environmental and Social (E&S) Focal Point within the PIU will serve as the central coordinator for stakeholder engagement activities, monitoring, and grievance management.

Monitoring Objectives

- Ensure timely, appropriate, and transparent engagement with key institutional stakeholders.
- Assess the effectiveness of engagement methods and adjust approaches as needed.
- Monitor grievances and feedback to ensure timely and appropriate handling.
- Document stakeholder inputs and how they are considered in Project design and implementation.

Reporting Responsibilities

- The E&S Focal Point will maintain a consolidated record of stakeholder engagement activities and grievances.
- The PIU will prepare periodic summaries of SEP implementation as part of Project reporting to the World Bank.
- SEP-related information will be integrated into Project progress reports, as relevant.

Monitoring Reports Will Include

- Summary of stakeholder engagement activities conducted (e.g., meetings, consultations, technical discussions).
- Key issues, feedback, and recommendations raised by stakeholders.
- Number and types of grievances received, addressed, and pending.
- General description of actions taken in response to stakeholder feedback and grievances.
- Summary of engagement with participating institutions (e.g., banks, PSPs, relevant government entities).

- Any adjustments made to engagement approaches based on lessons learned or evolving needs.

(Note: Given the institutional and systems-based nature of the Project, reporting will focus primarily on engagement with relevant institutions. Direct beneficiary-level data (e.g., demographic breakdowns) will not be systematically collected unless relevant and feasible.)

Documentation and Record-Keeping

a. Meetings and Consultations

- Key stakeholder meetings and consultations will be documented through summary notes.
- Documentation will capture main discussion points, key feedback, and agreed actions.
- Records will be maintained by the PIU.

b. Stakeholder Engagement Log

- A stakeholder engagement log will be maintained to track interactions with key stakeholders.
- The log will include information on stakeholder category, type of engagement, and main issues discussed.
- This log will support monitoring of stakeholder coverage and engagement frequency.

c. Grievance and Feedback Registry

- A centralized and secure system will be maintained to record grievances and feedback received through the GM.
- The registry will track the status, processing timelines, and outcomes of grievances.
- Data will be handled in accordance with confidentiality and data protection considerations applicable to the financial sector.

SEP Updates and Adaptive Management

- The SEP will be reviewed periodically (at least once during implementation) and updated as needed based on:
    - Stakeholder feedback and grievance trends
    - Changes in Project activities or implementation arrangements
    - Evolving institutional or contextual conditions

- Updated versions of the SEP will be shared with the World Bank and disclosed, as appropriate.

7.2. Reporting back to stakeholder groups

The SEP will be periodically revised and updated as necessary in the course of project implementation. Bi-annual summaries and internal reports on public grievances, enquiries, and related incidents, together with the status of implementation of associated corrective/preventive actions, will be collated by responsible staff and referred to the senior management of the project. The annual summaries will provide a mechanism for assessing both the number and nature of complaints and requests for information, along with the Project's ability to address those in a timely and effective manner. Information on public engagement activities undertaken by the Project during the year may be conveyed to the stakeholders in various ways, including formal meetings, awareness sessions, consultation sessions on specific topics, etc.

Endnotes

[1] For the purposes of effective and tailored engagement, stakeholders of the proposed project(s) can be divided into the following core categories:

- **Affected Parties:** Persons, groups, and other entities within the Project Area of Influence (PAI) that are directly influenced (actually or potentially) by the project and/or have been identified as most susceptible to change associated with the project, and who need to be closely engaged in identifying impacts and their significance, as well as in decision-making on mitigation and management measures.
- **Other Interested Parties:** Individuals/groups/entities that may not experience direct impacts from the Project but who consider or perceive their interests as being affected by the project and/or who could affect the project and the process of its implementation in some way.
- **Vulnerable Groups:** Persons who may be disproportionately impacted or further disadvantaged by the project(s) compared with any other groups due to their vulnerable status, and that may require special engagement efforts to ensure their equal representation in the consultation and decision-making process associated with the project.
- It is important to note that sometimes projects have different components with very different sets of stakeholders for each component. Those different stakeholders should be considered in preparing the SEP.

[2] It is particularly important to understand whether project impacts may disproportionately fall on disadvantaged or vulnerable individuals or groups, who often do not have a voice to express their concerns or understand the impacts of a project, and to ensure that awareness raising and stakeholder engagement be adapted to take into account such groups' or individuals' particular sensitivities, concerns, and cultural sensitivities and to ensure a full understanding of project activities and benefits. Engagement with vulnerable groups and individuals often requires the application of specific measures and assistance aimed at the facilitation of their participation in the project-related decision making so that their awareness of and input into the overall process are commensurate with those of other stakeholders.